

ASSEMBLY BILL

No. 368

Introduced by Assembly Member Chan

February 14, 2003

An act to add Chapter 4.5 (commencing with Section 12693.55) to Part 6.2 of Division 2 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 368, as introduced, Chan. Healthy Families Program: local educational agency billing option.

Existing law establishes, until January 1, 2004, the Healthy Families Program that is administered by the Managed Risk Medical Insurance Board. Under existing law, health, dental, and vision services are provided through the program to eligible children.

This bill would require the board, prior to July 1, 2004, to establish a Healthy Families local educational agency billing option. The bill would authorize the Healthy Families Program to reimburse a local educational agency for covered services, as defined, provided by the agency during the school term to a child who is enrolled in the program.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 4.5 (commencing with Section
2 12693.55) is added to Part 6.2 of Division 2 of the Insurance Code,
3 to read:
4

1 CHAPTER 4.5. LOCAL EDUCATIONAL AGENCY BILLING OPTION

2
3 12693.55. The purpose of this chapter is to establish a billing
4 option to reimburse a local educational agency for covered
5 services it provides during the school term to a child who is
6 enrolled in the program.

7 12693.555. The following definitions apply for purposes of
8 this chapter:

9 (a) “Covered services” means those services set forth in
10 subdivision (f) of Section 14132.06 of the Welfare and Institutions
11 Code.

12 (b) “Local educational agency” shall have the same meaning
13 set forth in subdivision (h) of Section 14132.06 of the Welfare and
14 Institutions Code.

15 (c) “School term” means the period during which school is in
16 session, excluding weekends and holiday periods.

17 12693.56. (a) The board shall, no later than July 1, 2004,
18 establish a Healthy Families local educational agency billing
19 option.

20 (b) The billing option shall, to the extent federal financial
21 participation is available, reimburse a local educational agency for
22 covered services it provides during the school term to a child who
23 is enrolled in the program. Services provided by a local
24 educational agency to a child other than during the school term
25 shall be reimbursed by the program under other provisions of this
26 part.

27 (c) The board shall adopt regulations setting forth the
28 requirements governing the local educational agency billing
29 option provided by this chapter. The requirements shall be no more
30 restrictive than those imposed on a local educational agency
31 participating in the billing option described in Section 14132.06
32 of the Welfare and Institutions Code. The board may adopt less
33 restrictive requirements than set forth in that section if it would
34 increase participation by the local educational agency or by a
35 health care provider in the program, or if it would improve access
36 to covered services provided by a local educational agency.

37 (d) To the extent possible, procedures and forms used pursuant
38 to this chapter shall be the same as those used pursuant to Section
39 14132.06 of the Welfare and Institutions Code.

1 12693.57. Covered services provided by a local educational
2 agency pursuant to this chapter shall be closely coordinated with
3 the child's primary care provider or other treating physician.

4 12693.58. The board shall establish an eligibility matching
5 process to assist a local educational agency to identify children
6 who are enrolled in the program.

7 12693.588. The board may withhold from payments for any
8 claims under this chapter, necessary amounts to reimburse
9 administrative and processing costs incurred by it or by the State
10 Department of Health Services, not to exceed one percent of the
11 amount payable to the local educational agency submitting the
12 claim.

13 12693.59. The board shall file an amendment to the State
14 Children's Health Insurance Program under Title XXI of the
15 federal Social Security Act (subchapter 21 (commencing with
16 Section 1397aa) of Chapter 7 of Title 42 of the United States Code)
17 to allow receipt of federal funds to reimburse a local educational
18 agency for covered services it provides to a child enrolled in the
19 program.

20 12693.599. Nothing in this chapter shall be construed to
21 authorize a health care provider to provide services that are not
22 within the scope of his or her licensure.

